#### **MINUTES**

## MONTANA SENATE 64th LEGISLATURE - REGULAR SESSION

#### COMMITTEE ON BUSINESS, LABOR, AND ECONOMIC AFFAIRS

Call to Order: Chair Edward Buttrey, on February 12, 2015 at 8:00 AM, in Room 422

Capitol

#### **ROLL CALL**

#### **Members Present:**

Sen. Edward Buttrey, Chair (R)

Sen. Elsie Arntzen, Vice Chair (R)

Sen. Dee Brown (R)

Sen. Pat Connell (R)

Sen. Tom Facey (D)

Sen. Cary Smith (R) (arrived after roll call)

Sen. Sharon Stewart-Peregoy (D) (arrived after roll call)

Sen. Gordon Vance (R)

Sen. Gene Vuckovich (D)

Sen. Lea Whitford (D)

Members Excused: None

Members Absent: None

**Staff Present:** Linda Keim, Committee Secretary

Jameson Walker, Legislative Branch

**Audio Committees:** These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

#### **Committee Business Summary:**

Hearing & Date Posted: SB 234, 2/4/2015; HB 53, 2/4/2015; HB 90, 2/4/2015

Executive Action: HB 80, HB 95, SB 23, SB 24, SB 25, SB 162, SB 196, SB 208,

SB 244, SB 241

### **HEARING ON HB 53**

## **Opening Statement by Sponsor**:

00:02:10 Rep. Andrew Person (D), HD 96, opened the hearing on HB 53. Permit discounts to military or veterans by property/casualty insurers.

### **Proponents' Testimony:**

| 00:04:47 | Jesse Laslovich, Office of the Commissioner of Securities and Insurance,    |
|----------|---|
|          | Montana State Auditor (CSI)   |
| 00:05:26 | Gary White, American Legion of Montana                                      |
| 00:05:52 | Merv Gunderson, American Legion of Montana                                  |
| 00:06:41 | Jim Higgins, Montana National Guard Enlisted Officers                       |
| 00:07:39 | Mike Clouse, Department of Montana Disabled American Veterans               |
| 00:08:50 | Jacqueline Lenmark, American Insurance Association (AIA); also speaking for |
|          | Bruce Spencer, Property Casualty Insurers Association of America, Dwight    |
|          | Easton, Farmers Insurance Group; Greg Van Horssen, State Farm Insurance     |

## **Opponents' Testimony**: None

## **Informational Testimony**: None

### **Questions from Committee Members and Responses:**

| 00:09:49 | Sen. Connell                |
|----------|-----------------------------|
| 00:10:15 | Ms. Lenmark, AIA (redirect) |
| 00:11:38 | Rep. Person                 |

### **Closing by Sponsor**:

| 00:12:00 | Rep. Person      |
|----------|------------------|
| 00:12:20 | Chairman Buttrey |

#### **HEARING ON SB 234**

## **Opening Statement by Sponsor**:

00:12:33 Sen. Fred Thomas (R), SD 44, opened the hearing on SB 234. Revise tax and fees for professional liability insurance.

### EXHIBIT(bus32a01)

### **Proponents' Testimony**:

00:22:20 David Bell, Attorneys Liability Protection Society (ALPS)

Chairman Buttrey left the hearing and Vice Chair Arntzen assumed the position of Chair.

00:26:18 Jesse Laslovich, Office of the Commissioner of Securities and Insurance,

Montana State Auditor (CSI)

00:29:58 Webb Brown, Montana Chamber of Commerce

### Opponents' Testimony: None

### **Informational Testimony**:

00:30:37 Bruce Spencer, State Bar of Montana

### **Questions from Committee Members and Responses:**

| 00:31:55 | Sen. Smith               |
|----------|--------------------------|
| 00:33:19 | Mr. Laslovich            |
| 00:33:43 | Sen. Brown               |
| 00:35:42 | Mr. Laslovich            |
| 00:36:41 | Sen. Facey               |
| 00:37:10 | Sen. Thomas (redirect)   |
| 00:38:47 | Mr. Bell, ALPS           |
| 00:40:19 | Sen. Facey               |
| 00:42:29 | Sen. Thomas              |
| 00:42:57 | Vice Chair Arntzen       |
| 00:43:07 | Sen. Vuckovich           |
| 00:43:12 | Sen. Thomas              |
| 00:43:52 | Sen. Whitford            |
| 00:47:07 | Mr. Laslovich (redirect) |
| 00:47:21 | Mr. Bell                 |
| 00:48:09 | Sen. Brown               |
| 00:48:33 | Mr. Laslovich            |
| 00:49:05 | Sen. Smith               |
| 00:49:25 | Mr. Laslovich            |

#### **Closing by Sponsor**:

| 00:50:09 | Sen. | Thomas |
|----------|------|--------|
|          |      |        |

00:53:19 Vice Chair Arntzen

Sen. Buttrey entered the hearing and assumed the position of Chair.

Sen. Vuckovich left the hearing.

# **HEARING ON HB 90**

### **Opening Statement by Sponsor:**

00:53:32 Rep. Andrea Olsen (D), HD 100, opened the hearing on HB 90. Revise workers' compensation laws.

## **Proponents' Testimony**:

00:55:00 Diana Ferriter, Department of Labor and Industry (DLI)

## EXHIBIT(bus32a02)

| 00:59:37 | Bob Worthington, Labor Management Advisory Council (LMAC)                   |
|----------|---|
| 01:00:08 | Lonny Olson, Montana Trial Lawyers  |
| 01:02:02 | Nancy Butler, Montana State Fund  |
| 01:02:19 | Jacqueline Lenmark, American Insurance Association; also speaking for Bruce |
|          | Spencer, Property Casualty Insurers Association of American; Dwight Easton, |
|          | Farmers Insurance Group   |

**Opponents' Testimony**: None

**Informational Testimony**: None

## **Questions from Committee Members and Responses:**

| 01:03:09 | Sen. Facey        |
|----------|-------------------|
| 01:07:23 | Ms. Ferriter, DLI |
| 01:07:40 | Chairman Buttrey  |
| 01:09:09 | Ms. Ferriter      |
| 01:09:39 | Sen. Facey        |
| 01:10:09 | Chairman Buttrey  |

## **Closing by Sponsor**:

| 01:10:50             | Rep. Olson          |
|----------------------|---------------------|
| 01:11:00             | Chairman Buttrey    |
| 01:11:43<br>01:37:05 | Recess<br>Reconvene |

## **EXECUTIVE ACTION ON HB 80**

01:37:15 **Motion:** Sen. Arntzen moved that **HB 80 BE CONCURRED IN**.

## **Discussion**:

| 01:37:34<br>01:37:42<br>01:37:46 | Chairman Buttrey Jamison Walker, Legislative Services Division (LSD) Sen. Facey   |
|----------------------------------|---|
| 01:38:19                         | <u>Vote</u> : Motion carried 8-1 by voice vote with Sen. Stewart-Peregoy voting no. Sen. Vuckovich was excused. Sen. Vuckovich will carry the bill. |

### **EXECUTIVE ACTION ON HB 95**

Motion: Sen. Arntzen moved that HB 95 BE CONCURRED IN. 01:38:47 01:39:01 Mr. Walker, LSD EXHIBIT(bus32a03) 01:39:17 Motion: Sen. Arntzen moved that HB 95 BE AMENDED. **Discussion:** 01:39:27 Mr. Walker 01:40:22 **Vote:** Motion carried 9-0 by voice vote of those present and voting. 01:40:37 Motion: Sen. Arntzen moved that HB 95 BE CONCURRED IN AS AMENDED. **Discussion**: 01:40:50 Chairman Buttrey 01:41:41 Sen. Brown 01:42:37 Chairman Buttrey 01:43:16 Vote: Motion carried 6-4 by roll call vote with Sen. Arntzen, Sen. Brown, Sen. Smith and Sen. Vance voting no. Sen. Vuckovich voted by proxy. Sen. Facey will carry the bill. **EXECUTIVE ACTION ON SB 23** 01:44:40 Motion: Sen. Arntzen moved that SB 23 DO PASS. Mr. Walker 01:44:59 EXHIBIT(bus32a04) 01:45:44 **Motion:** Sen. Arntzen moved that **SB 23 BE AMENDED**. Discussion: 01:45:54 Mr. Walker 01:46:36 **Vote:** Motion carried 9-0 by voice vote of those present and voting. 01:46:49 Motion: Sen. Arntzen moved that SB 23 DO PASS AS AMENDED. 01:47:04 Substitute Motion/Vote: Sen. Stewart-Peregoy made a substitute motion that

SB 23 BE TABLED. Substitute Motion carried 8-2 by roll call vote with Sen.

Arntzen and Sen. Smith voting no. Sen. Vuckovich voted by proxy.

### **EXECUTIVE ACTION ON SB 24**

| 01:48:26 <b>Motion</b> : | Sen. Arntzen moved that <b>SB 24 DO PASS</b> . |
|--------------------------|--|
|--------------------------|--|

01:48:45 Mr. Walker **EXHIBIT(bus32a05)** 

01:49:10 Substitute Motion/Vote: Sen. Facey made a substitute motion that SB 24 BE

**TABLED**. Substitute Motion carried 7-3 by roll call vote with Sen. Arntzen, Sen.

Buttrey and Sen. Smith voting no. Sen. Vuckovich voted by proxy.

#### **EXECUTIVE ACTION ON SB 25**

01:50:45 Motion: Sen. Arntzen moved that SB 25 DO PASS.

01:51:22 Substitute Motion/Vote: Sen. Facey made a substitute motion that SB 25 BE

TABLED. Substitute Motion carried 8-2 by roll call vote with Sen. Arntzen and

Sen. Smith voting no. Sen. Vuckovich voted by proxy.

Sen. Vuckovich entered the hearing.

#### **EXECUTIVE ACTION ON SB 162**

01:52:14 Motion: Sen. Arntzen moved that SB 162 DO PASS.

#### **Discussion**:

|   | Sen. Facey<br>Sen. Connell       |
|---|----------------------------------|
| _ | Chairman Buttrey<br>Sen. Arntzen |

01:56:28 Substitute Motion/Vote: Sen. Facey made a substitute motion that SB 162 BE

TABLED. Substitute Motion failed 4-6 by roll call vote with Sen. Arntzen, Sen.

Buttrey, Sen. Connell and Sen. Facey voting aye.

#### Discussion:

| 01:58:13 | Sen. Brown  |
|----------|---|
| 01:58:36 | Sen. Stewart-Peregoy  |
| 01:59:11 | Chairman Buttrey  |
| 02:00:18 | Sen. Connell  |
| 02:00:56 | Sen. Arntzen  |
| 02:02:07 | Sen. Facey  |
| 02:02:32 | Chairman Buttrey  |
|          |   |
| 02:02:36 | <u>Vote</u> : Motion failed 4-6 by roll call vote with Sen. Brown, Sen. Smith, Sen. |
|          | Stewart-Peregoy and Sen. Vance voting aye.  |

02:02:59 Motion/Vote: Sen. Facey moved that SB 162 BE TABLED. Motion carried 9-1

by voice vote with Sen. Stewart-Peregoy voting no.

## **EXECUTIVE ACTION ON SB 196**

02:03:57 **Motion:** Sen. Arntzen moved that **SB 196 DO PASS**.

02:04:05 Mr. Walker **EXHIBIT(bus32a06)** 

02:04:42 **Motion:** Sen. Arntzen moved that **SB 196 BE AMENDED**.

#### **Discussion:**

02:05:54 Sen. Connell

02:06:56 **Vote:** Motion carried unanimously by voice vote.

02:07:06 Motion: Sen. Arntzen moved that SB 196 DO PASS AS AMENDED.

#### **Discussion:**

| Sen. Brown  |
|---|
| Chairman Buttrey  |
| Sen. Facey  |
| Chairman Buttrey  |
| Sen. Brown  |
|   |
| <b>Vote:</b> Motion carried 8-2 by roll call vote with Sen. Brown and Sen. Vance voting |
| no.   |
|   |

#### **EXECUTIVE ACTION ON SB 208**

02:10:35 Motion: Sen. Arntzen moved that SB 208 DO PASS.

#### Discussion:

| 02:11:43<br>02:13:03 | Sen. Facey<br>Sen. Stewart-Peregoy   |
|----------------------|--|
| 02:16:59             | <u>Vote</u> : Motion failed 4-6 by roll call vote with Sen. Facey, Sen. Stewart-Peregoy, Sen. Vuckovich and Sen. Whitford voting aye.  |
| 02:17:35             | Motion/Vote: Sen. Facey moved that SB 208 BE TABLED. Motion carried 6-4 by roll call vote with Sen. Facey, Sen. Stewart-Peregoy, Sen. Vuckovich and Sen. Whitford voting no. |

## **EXECUTIVE ACTION ON SB 241**

|  | EXCOSTIVE MOTION ON OB 241  |  |  |  |
|--|---|--|--|--|
| 02:18:58   | Motion: Sen. Arntzen moved that SB 241 DO PASS.   |  |  |  |
| 02:19:29 Chairman Buttrey 02:19:35 Mr. Walker  EXHIBIT(bus32a07)   |   |  |  |  |
| 02:20:39   | Motion/Vote: Sen. Buttrey moved that <b>SB 241 BE AMENDED</b> . Motion carried 6-4 by roll call vote with Sen. Facey, Sen. Stewart-Peregoy, Sen. Vuckovich and Sen. Whitford voting no.           |  |  |  |
| 02:22:10   | Motion: Sen. Arntzen moved that SB 241 DO PASS AS AMENDED.  |  |  |  |
| Discussion:  |   |  |  |  |
| 02:22:18<br>02:24:41<br>02:26:07<br>02:26:27<br>02:28:05<br>02:29:12<br>02:29:40<br>02:30:37<br>02:30:47<br>02:32:25 | Sen. Stewart-Peregoy Sen. Facey Sen. Brown Chairman Buttrey Sen. Connell Chairman Buttrey Sen. Facey Chairman Buttrey Sen. Stewart-Peregoy Chairman Buttrey Sen. Stewart-Peregoy Chairman Buttrey |  |  |  |
|  | Peregoy, Sen. Vuckovich and Sen. Whitford voting no.  |  |  |  |
| EXECUTIVE ACTION ON SB 244   |   |  |  |  |
| 02:33:22   | Motion: Sen. D. Brown moved that SB 244 DO PASS.  |  |  |  |
| <u>Discussion</u> :  |   |  |  |  |
| 02:34:00<br>02:34:25<br>02:34:36<br>02:34:41<br>02:35:29<br>02:36:56<br>02:37:50<br>02:38:42                         | Sen. Brown Sen. Arntzen Chairman Buttrey Sen. Connell Sen. Whitford Sen. Brown Chairman Buttrey Sen. Brown  |  |  |  |
| 02:39:17   | Vote: Motion carried 7-3 by roll call vote with Sen. Stewart-Peregoy, Sen.  |  |  |  |

Vuckovich and Sen. Whitford voting no.

## SENATE COMMITTEE ON BUSINESS, LABOR, AND ECONOMIC AFFAIRS February 12, 2015 PAGE 9 of 10

# **Committee Business:**

| 02:40:19 | Sen. Facey       |
|----------|------------------|
| 02:41:04 | Chairman Buttrey |
| 02:41:26 | Sen. Arntzen     |
| 02:41:33 | Chairman Buttrey |

## SENATE COMMITTEE ON BUSINESS, LABOR, AND ECONOMIC AFFAIRS February 12, 2015 PAGE 10 of 10

# **ADJOURNMENT**

| Adjournment: 10:43 A.M. |                       |
|-------------------------|-----------------------|
|                         | Linda Keim, Secretary |
| lk                      |                       |
| Additional Documents:   |                       |

EXHIBIT(bus32aad.pdf)